ORIGINAL

OCKETFILE COPY ORIGINAL

EX PARTE OR LATE FILED

February 20, 1998

RECEIVED

FEB 2 0 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

The Honorable Chairman William Kennard
The Honorable Susan Ness
The Honorable Michael Powell
The Honorable Gloria Tristani
The Honorable Harold Furchtgott-Roth
Federal Communications Commission

Ex Parte; WT Docket 97-82

Dear Chairman and Commissioners:

1919 M Street, N.W. Washington, D.C. 20554

We are writing as a group of companies that have been committed to C block buildout and competition for many years. We appreciate that you are devoting considerable attention to reconsideration of the September 1997 C block restructuring order. The September 1997 decision yielded no commercially reasonable solution. It did not enable us to continue to move forward with network buildouts, and with providing resale competition. However, with a few straightforward amendments to that Order, the Commission can ensure that the C block will again be in a position to vigorously compete in offering wireless services to all American consumers, and particularly to those who have yet to benefit from the wireless revolution.

We respectfully request that the Commission amend last September's decision to grant C block licensees full credit of all of their downpayments under each option. Raising the \$1 billion that already has been paid to the government was an extraordinary accomplishment for C block entrepreneurs. No C block licensee has ever defaulted on a payment. That money should be applied against payments due to the government so that capital raised in today's market can immediately be put to work building competitive networks to serve American consumers.

Second, we respectfully request that the Commission restart its payment clock to begin with the adoption of the Commission's reconsideration order. Given the regulatory and marketplace uncertainty of this past year, C block entrepreneurs had virtually no commercial access to licenses and thus financing ability ground to a virtual halt. The "suspension interest" payments now required to be paid in the first two years are a substantial impediment to our ability to obtain the next round of financing for our early years, and to build out networks.

Third, we respectfully request that the Commission grant licensees the flexibility to select on an MTA basis from among the available options. This flexibility is necessary to create sound operational plans in today's market.

No. of Copies rec'd DJZ List ABCDE Federal Communications Commission February 20, 1998 Page 2

4

Finally, we respectfully request that the Commission consider offering licensees a buy-out option that results in a commercially reasonable price, by taking into account the favorable government financing terms in the calculation of the cost of capital associated with the exercise of this option.

The C block had its birth in the intent of Congress and the FCC that entrepreneurial and small businesses be enabled to bring their unique competitive vitality to the telecommunications marketplace. These entrepreneurs were set back unfairly by the penalties imposed in the C Block Restructuring Order. The solutions suggested here are fair to all, limited in scope, and of benefit to American consumers.

We thank you for your consideration. We wish to assure you that we shall work untiringly to promote competition.

Sincerely,

Bobby Lim 2001 PCI Cynthia R. Bailey

CX Systems International, Inc.

unthe X Bailey

Theren D. Oldhan

Tracy D. Oldham ACRS, Inc.

Wendimarie Haven

Airtel Communications, Inc.

John M. Connolly

CCS

Thomas V. Craft, R.L.S.

On behalf of CalTech International Telecom

R.L.S.

Calvada Surveying, Inc.

Ukins

Larry L. Day

Cellexis International Inc.

Federal Communications Commission February 20, 1998 Page 3

Michael Tricarichi CELLNET of Ohio, Inc.

Lonnie Benson FOX Communications Corp.

Diene Devil

Glendale Public Library

Ē

Ana Weiland
Dot Wireless, Inc.

Egnt

Diane Nevill

Diane H. Baker Dragon Management USA S.G. Kim HC Electronics

Kichard L. Vega, Sr., President Duluth PCS, Inc. St. Joseph PCS, Inc.

West Virginia PCS, Inc.

Belly Smith

Leah A. Kabbara, P.E. Kabbara Engineering

Betty Smith FWI Inc.

Vince Leifer

Leifer, Marter & Associates, Architects

Emilial Baldli Faz

John O'Brien, CEO Federal Network

David D. Fernald MFRI Inc.

HamilD Frankl L

Federal Communications Commission

February 20, 1998

Page 4

خر پینے

Fred Faulkner, III MJA Communications Corp.

Rhonda McKenzie

MTG Inc.

PCS Plus, LLC

John J. Nestor, Jr. Nestor Construction

George Brennan

Network Building & Consulting, Inc.

James Simms

Network Services Inc.

Monuj Bose

New Wave, Inc.

Thomas E. Rephe

Thomas E. Repke, President One Stop Wireless of America, Inc.

Clayburn C. Curtis

OnQue Communications, Inc.

Kevin S. Hamilton

Prime Matrix Wireless Communications,

Inc.

Ē

Meilech Friedman

RFW Inc.

Mike Musulin

Scottsdale Development & Investment Inc.

Roy Stewart

mike hamber

Roy Stewart

Stewart Electric & Communications

Federal Communications Commission February 20, 1998

Page 5

Jojo Umali

Structure Consulting Group

Automost E lan

Xico Salazar Sun Surveying

Thomas G. Ward
Third Kentucky Cellular Corporation

Phillip Van Miller UCN Inc.

Marc A. Marzullo, PE

URS Greiner

Jon Wilson

Unishippers Association

Robert A. Sweetser

Warren, Morris & Madison, Ltd.

Mas. Ma_

Charles C. Morris

Warren, Morris & Madison, Ltd.

Music

Oye Obe

Ξ

Ē

Wireless Nation, Inc.

I. Kleyot

Tim Khayat

Wireless Ventures, Inc.

Michael V. Roberts

Roberts-Roberts & Associates, LLC